

35 people and are the smallest of the four primary manufacturers of abrasive steel shot used in the shot peening industry. They do have capacity to supply Remington and are interested in this project. They are currently running annealing experiments to determine if current abrasive steel shot can be annealed to meet Remington hardness specifications. They are also sending us 50-100 lbs. of two different shot sizes so that we can run annealing experiments in parallel at higher temperatures than what Metaltec can achieve. Jim Urbon accompanied me on this trip and is heading up the Remington annealing effort.

3. Attended a meeting with Frohn representatives at Lonoke on May 11th. This is a German company that also produces steel shot using a proprietary cold working process. Lonoke has been working with Frohn since the SHOT show and are currently evaluating their high grade shot as a direct replacement for our existing shot. Initial samples appear to meet all Remington specifications and the quoted price is cheaper. E-town will assist in the evaluation of this shot by running choke strain measurements. Frohn has also proposed a lower quality shot for evaluation. This shot is not round and contains many flats but if acceptable from a performance and marketing perspective would be a significant cost reduction, on the order of \$.20 - \$.25 per pound. E-town will assist in the evaluation of this lower quality shot. Primary emphasis will be placed on patterning and choke strain performance. Frohn is currently planning a US production facility in the vicinity of Atlanta, GA..